

designation, conditioned on approval of the proposal to disaggregate support.

*Id.* at ¶ 9.

Thus, it is clear from the federal Act, the Commission's own rules, and the Commission's findings in other cases that in order to be designated as an ETC for areas served by rural telephone companies, the petition for designation must encompass the current service areas, i.e. study areas, of the incumbent rural telephone companies. In this case, it is the SDPUC's understanding that the Pine Ridge Reservation is served by three different rural telephone companies, Golden West Telecommunications Cooperative, Inc., Fort Randall Telephone Company, and Great Plains Communications (Nebraska). The SDPUC is unaware of any petitions filed to change any of the affected rural telephone companies' service areas.

In fact, it was this type of situation that caused the Minnesota Public Utilities Commission (Minnesota PUC) to file with the FCC a petition to redefine the service area of Frontier Communications of Minnesota, Inc. (Frontier). Petition of the Minnesota Public Utilities Commission for FCC Agreement to Redefine the Service Area of Frontier Communications of Minnesota, Inc., filed on Oct. 26, 2000. As explained by the FCC's Public Notice "the Minnesota PUC proposes to classify each of the 45 individual exchanges served by Frontier as separate service areas. The Minnesota PUC contends that, without a redefinition of Frontier's service area, the Minnesota PUC will be unable to designate another carrier as an eligible telecommunications carrier (ETC) to serve any portion of

Frontier's study area, even if such designation is in the public interest." The Minnesota Public Utilities Commission Petitions for Agreement to Redefine the Service Area of Frontier Communications of Minnesota, Inc., CC Docket 96-45, DA 00-661, ¶ 1 (rel. Nov. 29, 2000). What prompted the petition was the Minnesota PUC's finding, on reconsideration, that Frontier is a rural telephone company. Id. at ¶¶ 2-3. Since the Minnesota PUC had earlier granted Western Wireless preliminary designation as an ETC, the PUC was forced to rescind that designation for areas served by Frontier because Western Wireless was licensed to serve only 29 of the 45 exchanges comprising Frontier's study area. Id.

No petitions have been filed by either the Commission or the SDPUC to redefine the incumbent rural telephone companies' service areas. It is apparent that in order for Western Wireless to be granted ETC status for the Pine Ridge Reservation, each of these company's must have a separate service area for the part of each company's study area that is located on the Pine Ridge Reservation.

#### **CONCLUSION**

For the reasons stated above, the SDPUC respectfully requests that Western Wireless' petition for designation as an ETC for the Pine Ridge Reservation be denied.

Dated this 9<sup>th</sup> day of March, 2001.

Respectfully submitted,

John Guhin By Rev  
John Guhin  
Deputy Attorney General  
Attorney General's Office  
500 East Capitol  
Pierre, SD 57501

Rolayne Ailts Wiest  
Rolayne Ailts Wiest  
Special Assistant Attorney General  
South Dakota Public Utilities  
Commission  
500 East Capitol  
Pierre, SD 57501

## CERTIFICATE OF SERVICE

I hereby certify that copies of Comments of South Dakota Public Utilities Commission Opposing Western Wireless Corporation's Petition for Designation as an Eligible Telecommunications Carrier for the Pine Ridge Reservation in South Dakota were served on the following by mailing the same to them by United States Post Office First Class Mail, postage thereon prepaid, at the address shown below on this the 9<sup>th</sup> day of March, 2001.

Honorable Michael K. Powell  
Chairman  
Federal Communications Commission  
445 Twelfth Street S.W., Room 8-A204  
Washington, D.C. 20554

Honorable Susan Ness  
Commissioner  
Federal Communications Commission  
445 Twelfth Street S.W., Room 8-B115  
Washington, D.C. 20554

Honorable Harold Furchtgott-Roth  
Commissioner  
Federal Communications Commission  
445 Twelfth Street S.W., Room 8-A302  
Washington, D.C. 20554

Honorable Gloria Tristani  
Commissioner  
Federal Communications Commission  
445 Twelfth Street S.W., Room 8-C302  
Washington, D.C. 20554

Kathy C. Brown  
Chief of Staff  
Office of Chairman Michael K. Powell  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Anna Gomez  
Legal Advisor  
Office of Chairman Michael K. Powell  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Jordan Goldstein  
Legal Advisor  
Office of Commissioner Susan Ness  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Rebecca Beynon  
Legal Advisor  
Office of Comm. Harold Furchtgott-Roth  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Kyle Dixon  
Legal Advisor  
Office of Chairman Michael K. Powell  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Sarah Whitesell  
Legal Advisor  
Office of Commissioner Gloria Tristani  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Christopher J. Wright  
General Counsel  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Carol Matthey  
Deputy Chief  
Common Carrier Bureau  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Anita Cheng  
Associate Division Chief  
Accounting Policy Division  
Common Carrier Bureau  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Robert Loube  
Policy Analyst  
Accounting Policy Division  
Common Carrier Bureau  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Jack Zinman  
Common Carrier Bureau  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Gene DeJordy  
Vice President  
Regulatory Affairs  
Western Wireless Corporation  
3650 131st Avenue S.E., Suite 400  
Bellevue, WA 98006

Joseph Red Cloud  
Oglala Sioux Tribe  
Economic Development Office  
P. O. Box 669  
Pine Ridge, SD 57770

Dorothy Attwood  
Common Carrier Bureau Chief  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Katherine Schroder  
Division Chief  
Accounting Policy Division  
Common Carrier Bureau  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Katie King  
Accounting Policy Division  
Common Carrier Bureau  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

Richard D. Smith  
Accounting Policy Division  
Common Carrier Bureau  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

International Transcription Service  
Federal Communications Commission  
1231 20th Street N.W.  
Washington, D.C. 20554

Michele C. Farquhar  
David L. Sieradzki  
Ronnie London  
Attorneys at Law  
Hogan & Hartson, L.L.P.  
555 Thirteenth Street N.W.  
Washington, D.C. 20004-1109


Honorable John Steele  
President  
Oglala Sioux Tribe  
P. O. Box H  
Pine Ridge, SD 57770

Richard D. Coit  
Executive Director  
SDITC  
P. O. Box 57  
Pierre, SD 57501-0057

Bruce Hanson  
Fort Randall Telephone Company  
909 Willmar Avenue S.W.  
Willmar, MN 56201

George Strandell  
Golden West Telecommunications  
Cooperative  
P. O. Box 411  
Wall, SD 57790

Dixie Lambert  
Great Plains Communications  
1635 Front Street  
Blair, NE 68008



---

Rolayne Ailts Wiest  
Special Assistant Attorney General  
South Dakota Public Utilities Commission  
500 East Capitol  
Pierre, SD 57501

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

<b>IN THE MATTER OF THE FILING BY GCC</b>	<b>)</b>	<b>FINDINGS OF FACT AND</b>
<b>LICENSE CORPORATION FOR DESIGNATION</b>	<b>)</b>	<b>CONCLUSIONS OF LAW;</b>
<b>AS AN ELIGIBLE TELECOMMUNICATIONS</b>	<b>)</b>	<b>NOTICE OF ENTRY OF</b>
<b>CARRIER</b>	<b>)</b>	<b>ORDER</b>
	<b>)</b>	<b>TC98-146</b>

On August 25, 1998, the South Dakota Public Utilities Commission (Commission) received a request from GCC License Corporation (GCC) requesting designation as an eligible telecommunications carrier (ETC) for all the exchanges contained within all of the counties in South Dakota.

On August 26, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of September 11, 1998, to interested individuals and entities. At its September 23, 1998, meeting, the Commission granted intervention to Dakota Telecommunications Group, Inc. (DTG), South Dakota Independent Telephone Coalition (SDITC), and U S WEST Communications, Inc. (U S WEST).

The Commission set the hearing for December 17 and 18, 1998, starting at 9:00 A.M., on December 17, 1998, in Room 412, State Capitol, Pierre, South Dakota. The issue at the hearing was whether GCC should be granted designation as an eligible telecommunications carrier for all the exchanges contained within all of the counties in South Dakota. The hearing was held as scheduled and briefs were filed following the hearing. At its April 26, 1999, meeting, the Commission unanimously voted to deny the application.

Based on the evidence of record, the Commission makes the following findings of fact and conclusions of law:

**FINDINGS OF FACT**

1. On August 25, 1998, GCC filed an application requesting designation as an ETC for all of the counties within South Dakota. Exhibit 1. GCC's application listed counties it was requesting for ETC status instead of exchanges because it did not know all the exchanges in the state. Tr. at 40. GCC currently provides mobile cellular service in South Dakota. Tr. at 19. GCC uses the trade name of Cellular One. Tr. at 76. GCC is a wholly-owned subsidiary of Western Wireless Corporation (Western Wireless). Tr. at 22.
2. Pursuant to 47 U.S.C. § 214(e)(2), the Commission is required to designate a common carrier that meets the requirements of section 214(e)(1) as an ETC for a service area designated by the Commission. The Commission may designate more than one ETC if the additional requesting carrier meets the requirements of section 214(e)(1). However, before designating an additional ETC for an area served by a rural telephone company, the Commission must find that the designation is in the public interest. 47 U.S.C. §

214(e)(2). GCC is requesting designation as an additional ETC throughout the state. Exhibit 3 at 10. South Dakota exchanges are served by both nonrural and rural telephone companies.

3. Pursuant to 47 U.S.C. § 214(e)(1), a common carrier that is designated as an ETC is eligible to receive universal service support and shall, throughout its service area, offer the services that are supported by federal universal service support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services. The carrier must also advertise the availability of such services and the rates for the services using media of general distribution.

4. The Federal Communications Commission (FCC) has designated the following services or functionalities as those supported by federal universal service support mechanisms: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equal; (4) single party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers. 47 C.F.R. § 54.101(a).

5. As part of its obligations as an ETC, an ETC is required to make available Lifeline and Link Up services to qualifying low-income consumers. 47 C.F.R. § 54.405; 47 C.F.R. § 54.411.

6. GCC asserts that it currently provides all of the services as designated by the FCC through its existing mobile cellular services. Tr. at 123. Cellular service is generally provisioned as a mobile service. Tr. at 25.

7. Although GCC stated that its existing mobile cellular services currently provide all of the services supported by universal service, GCC intends to offer universal service initially through a fixed wireless offering. Exhibit 4 at 7. GCC specifically stated that it is not seeking universal service funding for the mobile cellular service that it currently provides. Exhibit 3 at 8.

8. GCC states that the Commission can look at the current mobile services it provides to determine whether it meets ETC requirements because GCC would use the same network infrastructure to provision its fixed wireless service. Tr. at 29. The Commission disagrees, and finds that it cannot base its decision on whether to grant ETC status to GCC based on GCC's current mobile cellular service because it is not sufficiently comparable to its proposed fixed wireless system. GCC's own statements support this finding.

9. For example, GCC stated that "[b]ecause GCC's cellular network is designed to serve mobile customers, it would be inappropriate to compare the voice quality using a handheld mobile phone with the voice quality of a fixed wireline service. This is so because GCC's cellular network has been designed to serve mobile customers that may be close to, and in direct line-of-sight of, a transmitter or several miles from, and not in line-of-sight of, a



transmitter. To optimize voice quality for its universal service customers, GCC will construct additional antenna towers, as necessary, and will install fixed wireless network equipment (antennas and transmitters) at customer locations, as it did in Nevada where the Company provides universal service to residential and business customers." Exhibit 4 at 12.

10. Further, GCC conceded that there were currently gaps in coverage but stated that the current mobile service is difficult to compare to a fixed wireless service which will have telephones with greater power plus antennas. Tr. at 99.

11. Thus, the Commission finds that since GCC's universal service offering will be initially based on a fixed wireless system the Commission must look at whether the proposed fixed wireless system meets ETC requirements, not whether the existing mobile cellular service provides all of the services supported by universal service.

12. Even if the Commission could base its decision to grant ETC status on GCC's current provisioning of mobile cellular service, the Commission would be compelled to deny GCC ETC status. First, GCC does not offer a certain amount of free local usage. See 47 C.F.R. § 54.101(a)(2). Under current cellular service the subscriber pays for both incoming and outgoing calls. Tr. at 38. Second, as stated earlier, GCC's mobile cellular service has gaps in coverage that it hoped to fix through the use of a fixed wireless system. Tr. at 99. Therefore, the Commission finds that GCC has failed to show that its current mobile cellular system is able to offer all the services that are supported by federal universal support mechanisms throughout the state.

13. GCC also stated in its prefiled testimony and at the hearing that it intended to deploy personal communications service (PCS) and local multi-point distribution service (LMDS) in South Dakota. Exhibit 4 at 3. GCC initially stated that it holds PCS licenses to serve the entire state of South Dakota. Id. Later it was learned that Western PCS BTA1 License Corporation (Western PCS) owns the radio licenses for PCS in South Dakota. Tr. at 22. Western PCS is an indirect majority-owned subsidiary of Western Wireless. Id. Western PCS has not deployed any PCS systems in South Dakota. Tr. at 27.

14. GCC initially stated that it holds LMDS licenses to serve the entire state of South Dakota. Exhibit 4 at 3. Later it was learned that Eclipse Communications Corporation (Eclipse) owns the radio licenses in South Dakota for LMDS. Tr. at 22. Eclipse is a wholly-owned subsidiary of Western Wireless. Id. In addition, at the hearing, a question was raised as to whether Eclipse had, in fact, received licenses for all of the BTAs in South Dakota. Tr. at 25. Eclipse is in the initial stages of designing and implementing LMDS. Tr. at 27.

15. The Commission finds it is unclear whether GCC intended to offer universal service through PCS or LMDS. However, the Commission finds that if universal service is eventually offered through PCS or LMDS, then Western PCS BTA1 or Eclipse may be the proper companies to apply for ETC status.

16. The Commission finds that it is clear from the record that GCC will initially rely upon a fixed wireless system to offer universal service. Therefore, the Commission shall look at whether the proposed fixed wireless system meets the ETC requirements.

17. GCC does not currently provide fixed wireless loops to any customer in South Dakota. Tr. at 28. GCC has not deployed fixed wireless because there has been no customer demand for the service. Tr. at 101. GCC believed that with a universal service offering, then a customer may want a fixed unit. Id.

18. The Commission finds that since GCC is not actually offering or providing a universal service offering through a fixed wireless system, it must deny GCC's application for ETC status throughout the state. Pursuant to 47 U.S.C. § 214(e)(2), the Commission may designate an additional requesting carrier as an ETC if it "meets the requirements of paragraph (1)." Paragraph one requires an ETC to offer the supported services throughout the area and advertise the availability of such services. GCC is not offering fixed wireless service nor is it advertising the availability of a fixed wireless service throughout South Dakota. Although GCC argues that there is no requirement that a requesting carrier actually offer the services at the time of its application, the plain language of the statute reads otherwise.

19. Moreover, GCC's application clearly demonstrates the reasons why a requesting carrier must actually be offering the supported services before applying for ETC status. The record shows that since GCC is not currently providing services through fixed wireless, it is impossible to determine whether GCC will meet ETC requirements when it actually begins to provide a universal service offering through a fixed wireless system.

20. First, it is unclear whether all customers in the state would be able to use a fixed wireless system if the Commission had granted ETC status to GCC. GCC has applied for ETC status in 13 states and asserted that it would be able to implement universal service immediately if it were designated an ETC. Tr. at 65. However, GCC's current network infrastructure does not serve the entire state. Tr. at 31, 80-81; Exhibit 9. GCC admitted that it could not provide service to every location in South Dakota. Tr. at 99. GCC would have to make changes and improvements to its network infrastructure in order to improve its voice quality for fixed wireless customers. Exhibit 4 at 12. It would need to construct additional cell sites as well as install high gain antennas and network equipment at customer locations. Exhibit 4 at 7-8; Tr. at 109-110. The antennas would either be a small antenna attached to a fixed unit or a permanent antenna on the roof. Tr. at 92.

21. As an example of a fixed wireless offering, GCC noted the provisioning of fixed wireless service in Reese River Valley and Antelope Valley in Nevada and in North Dakota. Exhibit 4 at 8; Tr. at 100. In both of those cases, GCC had to put in extra cell sites to improve its fixed wireless service. Tr. at 99-100. In Nevada, GCC had to construct another cell site in order to give customers improved service because the original fixed wireless system had problems with blocking. Id.

22. Even if the Commission could grant a company ETC status based on intentions to serve, the Commission finds that GCC has failed to show that its proposed fixed wireless system could be offered to customers throughout South Dakota immediately upon being granted ETC status.

23. Second, GCC has not yet finalized what universal service offering it plans to offer to consumers. Exhibit 4 at 13. This lack of a definite plan creates questions as to its ability to offer universal service based on fixed wireless technology throughout the entire state. For example, GCC first stated that it had not set a rate for its universal service offering because GCC would first need to know what forms of subsidies it would receive. Tr. at 33-34, 89, 114. GCC's position was that it was difficult to know whether GCC would price service at \$15.00 a month when it does not know whether it will have access to the same subsidies that are currently received by the incumbent local exchange companies. Tr. at 89. GCC referenced its offering of fixed wireless service in Reese River Valley and Antelope Valley, Nevada where it provided unlimited local usage for a flat monthly rate and stated that in Nevada the subsidies were known so GCC could provide service at that rate because it knew its costs would be covered. Tr. at 34-35. In addition, GCC would need to construct additional cell sites at an average cost of \$200,000 per site. Tr. at 109, 133. GCC stated that it would pay for any necessary antennas. Tr. at 102. GCC asserted that it would provide customer premise equipment and that all of these expenses would be factored into the cost of providing the service. Tr. at 109, 110. The units that are attached to the houses cost approximately \$300 to \$400 per unit. Tr. at 72. However, at the same hearing, GCC also stated it would provide service at a price comparable to that charged by the incumbent local exchange company. Tr. at 95.

24. The Commission finds that GCC's statements on pricing demonstrate the lack of a clear, financial plan to provision fixed wireless service throughout the state. If GCC needs to know what subsidies it may receive before pricing its service to ensure that its costs will be covered, then the Commission does not understand how it can also say that the price of that service will be comparable with that charged by the incumbent local exchange company. GCC did not show to the Commission that it had a viable financial plan to provide fixed wireless service throughout South Dakota.

25. Moreover, GCC's references to its provisioning of fixed wireless service in Reese River Valley and Antelope Valley, Nevada, only strengthens the Commission's concerns as to the viability of GCC's being able to offer a fixed wireless service throughout South Dakota. In Reese River Valley and Antelope Valley, Nevada, customers paid \$13.50 for fixed wireless service. Exhibit 10 at 7. However, this service was highly subsidized. Nevada Bell was billed by GCC for cellular charges that exceeded the flat local rate. Id. at 13-14. GCC charged Nevada Bell 37 cents a minute during the day and 25 cents a minute at night for each minute that exceeded the flat monthly rate. Id. at 14; Tr. at 70. Nevada Bell also paid for summary billing reports which were estimated to cost approximately \$14,000. Exhibit 10 at 13; Tr. at 69. GCC was also authorized to bill Nevada Bell for non-recurring charges. Exhibit 10 at 15.

26. The Commission finds that if GCC were actually providing a universal service offering throughout the state by the use of a fixed wireless system, then the Commission would know whether there were problems with the provisioning of the service, whether GCC was offering all of the supported services, and whether it was able to offer service to customers throughout the state of South Dakota.

27. Since the Commission finds that GCC is not currently offering the necessary services to support the granting of ETC designation, the Commission need not reach the issue of whether granting ETC status to GCC in areas served by rural telephone companies is in the public interest.

### CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26 and 49-31, including 1-26-18, 1-26-19, 49-31-3, 49-31-7, 49-31-7.1, 49-31-11, and 49-31-78, and 47 U.S.C. § 214(e)(1) through (5).

2. Pursuant to 47 U.S.C. § 214(e)(2), the Commission is required to designate a common carrier that meets the requirements of section 214(e)(1) as an ETC for a service area designated by the Commission. The Commission may designate more than one ETC if the additional requesting carrier meets the requirements of section 214(e)(1). However, before designating an additional ETC for an area served by a rural telephone company, the Commission must find that the designation is in the public interest. 47 U.S.C. § 214(e)(2).

3. Pursuant to 47 U.S.C. § 214(e)(1), a common carrier that is designated as an ETC is eligible to receive universal service support and shall, throughout its service area, offer the services that are supported by federal universal service support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services. The carrier must also advertise the availability of such services and the rates for the services using media of general distribution.

4. The FCC has designated the following services or functionalities as those supported by federal universal service support mechanisms: (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equal; (4) single party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers. 47 C.F.R. § 54.101(a).

5. As part of its obligations as an ETC, an ETC is required to make available Lifeline and Link Up services to qualifying low-income consumers. 47 C.F.R. § 54.405; 47 C.F.R. § 54.411.

6. The Commission finds that pursuant to 47 U.S.C. § 214(e), an ETC must be actually offering or providing the services supported by the federal universal service support mechanisms throughout the service area before being designated as an ETC. GCC intends to provide a universal service offering initially through a fixed wireless system. However, it does not currently offer fixed wireless service to South Dakota customers. The Commission cannot grant a company ETC status based on intentions to serve.

7. The Commission finds that since it finds that GCC is not currently offering the necessary services to support the granting of ETC designation, it need not reach the issue of whether granting ETC status to GCC in areas served by rural customers is in the public interest.

It is therefore

ORDERED, that GCC's application requesting designation as an ETC for all of the exchanges contained within all of the counties in South Dakota is denied.

#### NOTICE OF ENTRY OF ORDER

PLEASE TAKE NOTICE that this Order was duly entered on the 19<sup>th</sup> day of May, 1999. Pursuant to SDCL 1-26-32, this Order will take effect 10 days after the date of receipt or failure to accept delivery of the decision by the parties.

Dated at Pierre, South Dakota, this 19<sup>th</sup> day of May, 1999.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By:	<u>Heldine Kaelo</u>
Date:	<u>5/19/99</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg  
JAMES A. BURG, Chairman

Pam Nelson  
PAM NELSON, Commissioner

Laska Schoenfelder  
LASKA SCHOENFELDER, Commissioner

1 terms of their universal service program and likewise  
2 that would be a decision that the state Commission  
3 would make in terms of their universal service program.

4 Q. Do you have a present intention of what you  
5 intend to do?

6 A. Well, to the extent that we provide universal  
7 service and provide the supported services, and we  
8 would draw subsidies for the provision of that service  
9 much like the incumbent carrier would.

10 Q. Now, Mr. Kirkpatrick, I believe, testified  
11 extensively to Section 214(e). Are you also familiar  
12 with Section 214(e) of the Telecom Act?

13 A. Yes, I am.

14 Q. And have you reviewed Section 214(e)(4)  
15 regarding relinquishment of ETC status?

16 A. Yes, I have.

17 Q. When does GCC want to be designated as an  
18 ETC?

19 A. When?

20 Q. Yes.

21 A. Today if they the Commission so decides.

22 Q. All right. Well, as of today, if you are  
23 designated as an ETC and one of the existing ETC's  
24 determines to relinquish that status, are you prepared  
25 today or tomorrow to provide universal service to every

1 customer, every consumer in that geographic area?

2 A. Yes.

3 Q. And can you explain how that is? Can they  
4 afford your service? Can they afford the cost of the  
5 equipment, et cetera?

6 A. Yeah, they could afford -- you know, much  
7 like a universal service offering that's available to  
8 consumers by the incumbent carrier, they -- you know,  
9 they would be able to afford that offering and  
10 presumably they would be able to afford a universal  
11 service offering by a competitive ETC.

12 Q. Do you have all the equipment in place  
13 necessary to perform universal service throughout the  
14 state if an existing ETC relinquished?

15 A. Yes, yes.

16 Q. Do you have all the other capital equipment  
17 that you need like the fixed wireless reception  
18 equipment?

19 A. Yes, we do.

20 Q. Do you have the financing available for all  
21 that?

22 A. Yes, we do.

23 Q. In how many states have you applied for ETC  
24 status?

25 A. 13 states.

1 Q. All right. And does providing universal  
2 service in all 13 states, will that require additional  
3 capital for GCC?

4 A. Yes, it will.

5 Q. Where does South Dakota stand in terms of the  
6 priority for those capital investments for universal  
7 service?

8 A. South Dakota is Western Wireless' -- one of  
9 Western Wireless' top priorities. Western Wireless has  
10 a strong track record in South Dakota as being a  
11 service provider within a state. We serve the entire  
12 state of South Dakota, which includes rural and urban  
13 areas. And we have a very strong interest in  
14 continuing that relationship and expanding it.

15 Q. Could you be more definitive in terms of a  
16 top priority? Among the 13, where does it stand?

17 A. Well, if the Commission decided to designate  
18 Western Wireless as an ETC, today or soon thereafter,  
19 we would be prepared to implement universal service  
20 immediately.

21 Q. All right. Let's talk about the situation in  
22 Nevada. And I believe that you described that as a  
23 universal service offering; am I correct?

24 A. That's correct.

25 Q. And also Mr. Johnson referred to it as a